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STATE OF MONTANA

BEFORE THE BOARD OF MILK CONTROL OF THE STATE OF MONTANA ANNOUNCEMENT OF CLASS I, II & III PRODUCER PRICES

STATE DOCUMENTS COLLECTION

PUBLISHED: June 6, 1996

EFFECTIVE: July 1, 1996

12:01 a.m.

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Due to the latest data available as of June 6, 1996, as applied to the Producer Formula the Producer Formula Index has been calculated to be 284.29. (Docket #69-84, first price announcement effective 7/01/84)

MINIMUM PRODUCER CLASS I PRICE IN MONTANA

REF: ARM 32.24.301(3)

EFFECTIVE JULY 1, 1996, the minimum price to be paid milk producers, under ARM 32.24.301, will be \$16.92 per hundred pounds of milk testing 3.5% butterfat, f.o.b. the milk distributor's plant.

When milk does not test 3.5% butterfat, compute the applicable price by applying a differential of twelve and one-half cents for each one-tenth of one percent butterfat above or below the midpoint to each producer payment. The value of one pound of butterfat utilized will be one dollar and twenty-five cents (\$1.25).

MINIMUM PRODUCER CLASS II PRICE IN MONTANA

REF: ARM 32.24.301(4)

CLASS II PRICE FOR MILK TESTING 3.5% \$13.38 /CWT

Average spray process dry milk solids	=	\$1.24750	
price per pound	x	8.2	
Multiplied by 8.2		-----	
		\$10.22950	\$10.22950
PLUS +			

Average Grade 'A' 92 score butter	=	\$1.04500	
price per pound	x	4.2	
Multiplied by 4.2		-----	
		\$4.38900	+\$4.38900

LESS 8.5% (\$14.61850 X .085)		\$14.61850
		-	-\$1.24257

			\$13.37593

Rounded to the nearest whole cent = \$13.38/hundredweight.

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=====
 CLASS II BUTTERFAT PRICE PER POUND \$1.15 /LB
 =====

Butterfat differential	(\$1.04500	X .111)	=	\$0.11600
Rounded to the nearest half cent	=					\$0.115

=====
 CLASS II VALUE OF ONE POUND OF SKIM \$0.09694 /LB
 =====

Butterfat value per pound	=	\$1.15
for milk at 3.5% test:		

Hundredweight price of milk testing 3.5%	=	\$13.38	
LESS 3.5 pounds of butterfat at	\$1.15 per pound	-	\$4.025

Value of 96.5 pounds of skim	=	\$9.355
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Value of one pound of skim	(9.355 : 96.5 pounds)	=	\$0.09694 /LB
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=====
 PRODUCER CLASS III PRICE IN MONTANA REF: ARM 32.24.301(5)
 =====

=====
 CLASS III BUTTERFAT PRICE PER POUND \$0.94 /LB
 =====

Avg. Grade 'A' 92 score butter price/LB	\$1.04500	
LESS 10%	-	\$0.10450

	\$0.94050	

Rounded to the nearest whole cent	=	\$0.94 per pound.
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=====
 CLASS III PRICE PER CWT FOR SKIM MILK UTILIZED \$8.49 /CWT
 =====

Avg. spray process dry milk solid price/LB	\$1.24750	
Multiplied by 8.2	x	8.2

	\$10.22950	
LESS 17%	-	\$1.73902

	\$8.49048	

Rounded to the nearest whole cent	=	\$8.49 per hundredweight.
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=====
 CLASS III PRICE PER CWT FOR MILK TESTING 3.5% \$11.48 /CWT
 =====

3.5 pounds of butterfat	x	\$0.94 per pound =	\$3.290
96.5 pounds of skim	x	\$0.08490 per pound =	\$8.193

			\$11.483 /CWT

BY ORDER OF THE MONTANA MILK CONTROL BUREAU

Compiled by: Marilyn M. Koontz
 Marilyn M. Koontz, Admn. Support
 Montana Milk Control Bureau

BREAKDOWN BY TEST FOR CLASS I, II & III SKIM PRICES

CLASS I SKIM PRICE BASED ON \$16.92 FOR 3.5% MILK 96.5 LBS. = \$12.545		CLASS II SKIM PRICE BASED ON \$13.38 FOR 3.5% MILK 96.5 LBS. = \$9.355		CLASS III SKIM PRICE BASED ON \$11.48 FOR 3.5% MILK 96.5 LBS. = \$8.193	
TEST	PRICE/LB	TEST	PRICE/LB	TEST	PRICE/LB
2.50	\$0.12867	2.50	\$0.09595	2.50	\$0.08403
2.55	\$0.12873	2.55	\$0.09600	2.55	\$0.08407
2.60	\$0.12880	2.60	\$0.09605	2.60	\$0.08412
2.65	\$0.12886	2.65	\$0.09610	2.65	\$0.08416
2.70	\$0.12893	2.70	\$0.09615	2.70	\$0.08420
2.75	\$0.12900	2.75	\$0.09620	2.75	\$0.08425
2.80	\$0.12906	2.80	\$0.09624	2.80	\$0.08429
2.85	\$0.12913	2.85	\$0.09629	2.85	\$0.08433
2.90	\$0.12920	2.90	\$0.09634	2.90	\$0.08438
2.95	\$0.12926	2.95	\$0.09639	2.95	\$0.08442
3.00	\$0.12933	3.00	\$0.09644	3.00	\$0.08446
3.05	\$0.12940	3.05	\$0.09649	3.05	\$0.08451
3.10	\$0.12946	3.10	\$0.09654	3.10	\$0.08455
3.15	\$0.12953	3.15	\$0.09659	3.15	\$0.08459
3.20	\$0.12960	3.20	\$0.09664	3.20	\$0.08464
3.25	\$0.12966	3.25	\$0.09669	3.25	\$0.08468
3.30	\$0.12973	3.30	\$0.09674	3.30	\$0.08472
3.35	\$0.12980	3.35	\$0.09679	3.35	\$0.08477
3.40	\$0.12987	3.40	\$0.09684	3.40	\$0.08481
3.45	\$0.12993	3.45	\$0.09689	3.45	\$0.08486
3.50	\$0.13000	3.50	\$0.09694	3.50	\$0.08490
3.55	\$0.13007	3.55	\$0.09699	3.55	\$0.08494
3.60	\$0.13013	3.60	\$0.09704	3.60	\$0.08499
3.65	\$0.13020	3.65	\$0.09709	3.65	\$0.08503
3.70	\$0.13027	3.70	\$0.09714	3.70	\$0.08508
3.75	\$0.13034	3.75	\$0.09719	3.75	\$0.08512
3.80	\$0.13041	3.80	\$0.09725	3.80	\$0.08516
3.85	\$0.13047	3.85	\$0.09730	3.85	\$0.08521
3.90	\$0.13054	3.90	\$0.09735	3.90	\$0.08525
3.95	\$0.13061	3.95	\$0.09740	3.95	\$0.08530
4.00	\$0.13068	4.00	\$0.09745	4.00	\$0.08534
4.05	\$0.13075	4.05	\$0.09750	4.05	\$0.08539
4.10	\$0.13081	4.10	\$0.09755	4.10	\$0.08543
4.15	\$0.13088	4.15	\$0.09760	4.15	\$0.08548
4.20	\$0.13095	4.20	\$0.09765	4.20	\$0.08552
4.25	\$0.13102	4.25	\$0.09770	4.25	\$0.08557
4.30	\$0.13109	4.30	\$0.09775	4.30	\$0.08561
4.35	\$0.13116	4.35	\$0.09780	4.35	\$0.08565
4.40	\$0.13122	4.40	\$0.09786	4.40	\$0.08570
4.45	\$0.13129	4.45	\$0.09791	4.45	\$0.08574
4.50	\$0.13136	4.50	\$0.09796	4.50	\$0.08579

